## WHAT IS CLAIMED IS:

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- 1. A DNA sequence other than present in a chromosome encoding a *patched* gene other than the *Drosophila patched* gene or fragment thereof of at least about 12bp.
- 2. A DNA sequence according to Claim 1, wherein said *patched* gene is a mammalian gene.
- 3. A DNA sequence according to Claim 1 for mouse, mosquito, butterfly or beetle *patched* gene.
- 4. A DNA sequence according to Claim 3, herein said DNA sequence is a mouse sequence.
  - 5. A DNA sequence according to Claim 1, wherein said DNA sequence is a fragment of at least about 18bp.
- 6. A DNA sequence according to Claim 1 joined to a DNA sequence comprising a restriction enzyme recognition sequence.
  - 7. An expression cassette comprising a transcriptional initiation region functional in an expression host, a DNA sequence according to Claim\_1\_under the transcriptional regulation of said transcriptional initiation region, and a transcriptional termination region functional in said expression host.
- 8. An expression cassette according to Claim 7, wherein said transcriptional initiation region is heterologous to said DNA sequence according to Claim 1.
  - 9. An expression cassette according to Claim 7, wherein said transcriptional initiation region is homologous to said DNA sequence according to Claim 1 and includes the enhancer region.
- of an extrachromosomal element or integrated into the genome of a host cell as a result of introduction of said expression cassette into said host cell and the cellular progeny of said host cell.
- 11. A cell according to Claim 10, comprising the *patched* gene in the cellular membrane of said cell.
  - 12. A cell according to Claim 10, wherein said patched gene is a mouse patched gene.

STAN-171 27 A60190/BIR

- 13. A cell according to Claim 10, wherein said transcriptional initiation region is a *Drosophila patched* gene transcriptional initiation region comprising the promoter and enhancer joined to a heterologous gene.
- 14. A cell comprising an expression cassette comprising a transcriptional initiation region functional in an expression host, said transcriptional initiation region consisting of a 5' non-coding region regulating the transcription of *patched* protein comprising the promoter and enhancer, a marker gene, and a transcriptional termination region, as part of an extrachromosomal element or integrated into the genome of a host cell as a result of introduction of said expression cassette into said host, and the cellular progeny thereof.

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- 15. A cell according to Claim 14, wherein said transcriptional initiation region is the *Drosophila* region.
- 16. A method for following embryonic development employing the *patched* protein in an embryo, said method comprising:
- integrating an expression cassette comprising a transcriptional initiation region functional in embryonic host cells, said transcriptional initiation region consisting of a 5' non-coding region regulating the transcription of *patched* protein, a marker gene, and a transcriptional termination region, wherein said embryonic host cells are capable of developing into a fetus;
- growing said embryonic host cells, whereby proliferation and differentiation occur; and

locating cells comprising expression of the *patched* protein by means of expression of said marker gene.

- 17. A method for producing patched protein, said method comprising:
- growing a cell according to Claim 10, whereby said patched protein is expressed; and

isolating said patched protein free of other proteins.

- 18. A method for screening candidate compounds for binding affinity to the patched protein, said method comprising:
- combining said candidate protein with a vertebrate or invertebrate cell comprising said *patched* protein in the membrane of said cell and an expression cassette comprising a transcriptional initiation region functional in said cell, a DNA sequence according to Claim 1 comprising the entire coding sequence under the

STAN-171 28 A60190/BIR

transcriptional regulation of said transcriptional initiation region, and a transcriptional termination region functional in said cell, expressing said *patched* protein in said cell; and

assaying for the binding of said candidate compound to said patched protein.

19. A method for screening candidate compounds for agonist activity with the *patched* protein, said method comprising:

combining said candidate protein with a vertebrate or invertebrate cell comprising said *patched* protein in the membrane of said cell and an expression cassette comprising a transcriptional initiation region functional in an expression host, said transcriptional initiation region consisting of a 5' non-coding region regulating the transcription of *patched* protein, a marker gene, and a transcriptional termination region, as part of an extrachromosomal element or integrated into the genome of a host cell; and

assaying for the expression of said marker gene.

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15 20. A monoclonal antibody binding specifically to a *patched* protein, other than the *Drosophila patched* protein.

STAN-171 29 A60190/BIR